

Hearing Date: August 9, 2016 at 10:00 a.m. (Prevailing Eastern Time)
Objection Deadline: August 4, 2016 at 4:00 p.m. (Prevailing Eastern Time)

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*Counsel to the Debtors
and Debtors in Possession*

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re : Chapter 11
:
Gawker Media LLC, *et al.*,¹ : Case No. 16-11700 (SMB)
:
Debtors. : (Jointly Administered)
:
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**NOTICE OF DEBTORS' APPLICATION PURSUANT TO SECTIONS
327(e), 328(a), AND 330 OF THE BANKRUPTCY CODE, BANKRUPTCY
RULES 2014 AND 2016, AND LOCAL RULES 2014-1 AND 2016-1 FOR ENTRY
OF AN ORDER AUTHORIZING THE RETENTION AND EMPLOYMENT OF
LEVINE SULLIVAN KOCH & SCHULZ, LLP AS SPECIAL LITIGATION COUNSEL
EFFECTIVE *NUNC PRO TUNC* TO THE PETITION DATE**

PLEASE TAKE NOTICE that a hearing (the "Hearing") on the Application (the
"Application" a copy of which is attached hereto) of the above-captioned debtors and debtors in
possession (collectively, the "Debtors") for entry of an order authorizing the Debtors to retain
and employ Levine Sullivan Koch & Schulz, LLP as special litigation counsel effective *nunc pro*

¹ The last four digits of the taxpayer identification number of the debtors are: Gawker Media LLC (0492); Gawker Media Group, Inc. (3231); and Kinja Kft. (5056). The offices of Gawker Media LLC and Gawker Media Group, Inc. are located at 114 Fifth Avenue, 2d Floor, New York, NY 10011. Kinja Kft.'s offices are located at Andrassy ut 66. 1062 Budapest, Hungary.

tunc to the Petition Date will be held before the Honorable Stuart M. Bernstein of the United States Bankruptcy Court for the Southern District of New York (the “Court”), in Room 723, One Bowling Green, New York, New York 10004-1408, on **August 9, 2016 at 10:00 a.m. (prevailing Eastern Time)**.

PLEASE TAKE FURTHER NOTICE that responses or objections to the Application and the relief requested therein, if any, shall be in writing, shall conform to the Federal Rules of Bankruptcy Procedure and the Local Bankruptcy Rules for the Southern District of New York, shall set forth the basis for the response or objection and the specific grounds therefore, and shall be filed with the Court electronically in accordance with General Order M-399 by registered users of the Court’s case filing system (the User’s Manual for the Electronic Case Filing System can be found at <http://www.nysb.uscourts.gov>, the official website for the Court), with a hard copy delivered directly to chambers and served so as to be actually received no later than **August 4, 2016 at 4:00 p.m. (prevailing Eastern Time)** (the “Objection Deadline”), upon: (i) the Debtors, Gawker Media LLC, 114 Fifth Avenue, 2d Floor, New York, NY 10011, Attn. Heather Dietrick (heather@gawker.com); (ii) counsel for the Debtors, Ropes & Gray LLP, 1211 Avenue of the Americas, New York, NY 10036, Attn: Gregg M. Galardi (gregg.galardi@ropesgray.com); (iii) the Office of the United States Trustee for the Southern District of New York, 201 Varick Street, Suite 1006, New York, NY 10014, Attn: Greg Zipes & Susan Arbeit; (iv) the Internal Revenue Service; (v) the United States Attorney for the Southern District of New York; (vi) proposed counsel to the Official Committee of Unsecured Creditors, Simpson Thacher & Bartlett, 425 Lexington Avenue, New York, NY 10017, Attn: Sandy Qusba (squsba@stblaw.com) and William T. Russell (wrussell@stblaw.com); (vii) counsel to US VC Partners LP, as Prepetition Second Lien Lender, Latham & Watkins LLP, 330 North Wabash

Avenue, Suite 2800, Chicago, IL 60611, Attn: David Heller (david.heller@lw.com) & Keith A. Simon, 885 Third Avenue, New York, New York 10022, Attn: Keith A. Simon (keith.simon@lw.com); (viii) counsel to Cerberus Business Finance, LLC, as DIP Lender, Schulte Roth & Zabel LLP, 919 Third Avenue, New York, New York 10022, Attn: Adam C. Harris (adam.harris@srz.com); (ix) Levine Sullivan Koch & Schulz, LLP, 1899 L Street NW, Suite 200, Washington, DC 20036, Attn: Seth Berlin (sberlin@lskslaw.com); and (x) those persons who have formally appeared and requested service in these cases pursuant to Bankruptcy Rule 2002.

PLEASE TAKE FURTHER NOTICE that a copy of the Application may be obtained free of charge by visiting the website of Prime Clerk LLC at <https://cases.primeclerk.com/gawker>. You may also obtain copies of any pleadings by visiting the Court's website at <http://www.nysb.uscourts.gov> in accordance with the procedures and fees set forth therein.

PLEASE TAKE FURTHER NOTICE that the Hearing may be continued or adjourned thereafter from time to time without further notice other than an announcement of the adjourned date or dates at the Hearing or at a later hearing. The Debtors will file an agenda before the Hearing, which may modify or supplement the Application to be heard at the Hearing.

PLEASE TAKE FURTHER NOTICE that if no objections or other responses are timely filed and served with respect to the Application, the Debtors may, on or after the Objection Deadline, submit to the Court an order substantially in the form annexed as Exhibit A to the Application, which order the Court may enter with no further notice or opportunity to be heard.

Dated: July 25, 2016
New York, New York

/s/ Gregg M. Galardi
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**UNITED STATES BANKRUPTCY COURT
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In re : Chapter 11
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Gawker Media LLC, *et al.*,¹ : Case No. 16-11700 (SMB)
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Debtors. : (Jointly Administered)
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**DEBTORS' APPLICATION PURSUANT TO SECTIONS 327(e), 328(a)
AND 330 OF THE BANKRUPTCY CODE, BANKRUPTCY RULES 2014
AND 2016 AND LOCAL RULES 2014-1 AND 2016-1 FOR ENTRY OF
AN ORDER AUTHORIZING THE RETENTION AND EMPLOYMENT OF
LEVINE SULLIVAN KOCH & SCHULZ, LLP AS SPECIAL LITIGATION
COUNSEL EFFECTIVE *NUNC PRO TUNC* TO THE PETITION DATE**

Gawker Media LLC ("Gawker Media") and its affiliated debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the "Debtors") respectfully submit this application (the "Application") for entry of an order under, substantially in the form attached hereto as Exhibit A, authorizing the Debtors to retain Levine Sullivan Koch & Schulz,

¹ The last four digits of the taxpayer identification number of the debtors are: Gawker Media LLC (0492); Gawker Media Group, Inc. (3231); and Kinja Kft. (5056). The offices of Gawker Media LLC and Gawker Media Group, Inc. are located at 114 Fifth Avenue, 2d Floor, New York, NY 10011. Kinja Kft.'s offices are located at Andrassy ut 66. 1062 Budapest, Hungary.

LLP (“LSKS”) as special litigation counsel, *nunc pro tunc* to the Petition Date (as defined below) pursuant to sections 327(e), 328(a) and 330 of title 11 of the United States Code (the “Bankruptcy Code”), Rules 2014 and 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and Rules 2014-1 and 2016-1 of the Local Bankruptcy Rules for the Southern District of New York (the “Local Rules”). In support of the Application, the Debtors submit the Declaration of Seth D. Berlin (the “Berlin Declaration”), attached hereto as Exhibit B, and (ii) the Declaration of William D. Holden (the “Holden Declaration”), attached hereto as Exhibit C. In support of the Motion, the Debtors hereby incorporate by reference the *Declaration of William D. Holden in Support of First Day Motions* (the “First Day Declaration”) [Docket No. 7]. In further support of the Application, the Debtors, by and through their undersigned counsel, respectfully represent as follows:

Jurisdiction

1. This Court has jurisdiction to consider and determine this application pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2).
2. Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.
3. The legal predicates for the relief requested herein are Section 327(e), 328(a) and 330 and 1107(b) of the Bankruptcy Code, Bankruptcy Rules 2014 and 2016, and Local Rules 2014-1 and 2016-1.

Procedural Background

4. On June 10, 2016, Gawker Media filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code. On June 12, 2016, Gawker Media Group, Inc. (“GMGI”)

and Kinja Kft. (“Kinja”) each filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code.

5. On June 16, 2016 the Court entered an order authorizing the joint administration and procedural consolidation of the Debtors’ chapter 11 cases pursuant to Bankruptcy Rule 1015(b) [Docket No. 41].

6. On June 24, 2016, the United States Trustee for the Southern District of New York (the “U.S. Trustee”) appointed the official committee of unsecured creditors (the “Committee”). No request for the appointment of a trustee or examiner has been made in these chapter 11 cases.

7. The Debtors are operating their businesses as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

8. The factual background regarding the Debtors, their business operations, their capital and debt structure, and the events leading up to the filing of these Chapter 11 Cases are set forth in detail in the First Day Declaration.

Relief Requested

9. The Debtors seek an order of this Court, pursuant to Sections 327(e), 328(a) and 330 of the Bankruptcy Code, Bankruptcy Rules 2014 and 2016, and Local Rules 2014-1 and 2016-1 authorizing the Debtors to employ and retain LSKS *nunc pro tunc* to the Petition Date, in accordance with the terms of Gawker Media’s initial engagement of LSKS in October 2012 (as updated from time to time since then to reflect firm-wide rate increases by LSKS), this Application, and the proposed Order submitted herewith, as the Debtors’ special counsel to perform legal services attendant to certain litigation, as more fully described herein. For the reasons set forth below, the Debtors submit that the relief requested is in the best interest of the

Debtors, their estates, their creditors, stakeholders, and other parties in interest, and, therefore, should be granted.

The Retention of LSKS

10. The Debtors seek to retain LSKS as special litigation counsel because of LSKS's experience, knowledge and familiarity with certain lawsuits involving the Debtors' business and operations. Since on or about October 15, 2012, LSKS has represented the Debtors with respect to various First Amendment, newsroom, media, defamation, privacy, copyright, and other similar matters in litigation in courts throughout the country and in non-litigated matters. Accordingly, the Debtors submit that LSKS's knowledge, expertise, and experience of the Debtors' business and operations and all issues, matters or controversies that may concern these bankruptcy proceedings qualify LSKS to work on behalf of the Debtors' estate in the most efficient and cost-effective manner.

11. LSKS was first retained in October 2012 to defend Gawker Media and certain affiliated entities, as well as individuals Nick Denton, A.J. Daulerio and Kate Bennert against privacy and related claims brought by Terry Gene Bollea, the wrestler and celebrity known as "Hulk Hogan," arising from Gawker Media's publication of excerpts from a tape depicting him engaged in an affair with Heather Clem, the wife of his best friend, radio "shock jock" Bubba the Love Sponge Clem ("*Bollea I*"). That case was originally filed in federal court, and captioned *Bollea v. Gawker Media, LLC*, 8:12-cv-2348-T-27TBM (M.D. Fla.). After several motions seeking preliminary injunctive relief were denied by the federal court on First Amendment grounds, *see, e.g., Bollea v. Gawker Media, LLC*, 2012 WL 5509624 (M.D. Fla. Nov. 14, 2012); *Bollea v. Gawker Media, LLC*, 913 F. Supp. 2d 1325 (M.D. Fla. 2012), the plaintiff dismissed his federal court action, and re-filed his claims in state court, adding them to an existing lawsuit

against the Clems. *See Bollea v. Gawker Media, LLC, et al.*, No. 12012447-CI-011 (Fla. Cir. Ct.). That case has involved extensive proceedings in the Florida courts. Following the dismissal of the other defendants, the case was tried in March 2016 against Gawker Media, Nick Denton and A.J. Daulerio, and resulted in a \$140.1 million verdict, which ultimately precipitated these Chapter 11 proceedings. The resolution of the appeal of *Bollea I* will be a significant milestone in these chapter 11 cases. In May 2016, LSKS was retained to represent Gawker Media in *Bollea v. Buchwald & Assocs., et al.*, No. 16-002861-CI (Fla. Cir. Ct.) ("*Bollea II*"), a case arising from plaintiff's claims regarding the alleged leak of a summary transcript describing racist and homophobic comments Bollea made on another sex tape involving him and Heather Clem, which he claims caused him injury. In addition to the two *Bollea* lawsuits, LSKS has also been retained to represent Gawker Media and related individuals as follows:

- a. In September 2014, LSKS was engaged to represent Gawker Media and GMGI in a lawsuit brought by retired Major League Baseball pitcher Mitchell Williams, *Williams v. The MLB Network, Inc., et al.*, No. CAM-L-3675-14 (N.J. Super. Ct.) ("*Williams*"). The plaintiff's claims in that case relate to reports on Gawker Media's sports-news website, www.deadspin.com, about alleged misconduct by Williams at a Little League Baseball game and his subsequent termination as a television commenter by The MLB Network. GMGI was voluntarily dismissed. The Court granted summary judgment in favor of Gawker Media on June 1, 2016. Williams had indicated that he plans to appeal that ruling following a forthcoming trial against defendant The MLB Network. Williams has filed a \$50 million claim in this Chapter 11 proceeding.²

² Claim number 6, filed July 11, 2016.

- b. In June 2015, LSKS was retained to defend Gawker Media and individuals J.K. Trotter and Greg Howard against a defamation claim brought by a blogger in *Johnson, et al. v. Gawker Media, LLC, et al.*, No. 4:15-CV-1137 CAS (E.D. Mo.). Although that case was dismissed for lack of personal jurisdiction, *see Johnson v. Gawker Media, LLC*, 2016 WL 193390 (E.D. Mo. Jan. 15, 2016), it is the Debtors' understanding that the claims were refiled in California, *see Johnson v. Gawker Media, LLC*, No. 5-CECG03734 (Cal. Sup. Ct.) ("*Johnson*"). The California case was never served, but the Debtors understand that the plaintiffs plan to pursue their claims.
- c. In January 2016, LSKS was engaged to defend Gawker Media as well as individuals Nick Denton, John Cook and Sam Biddle in *Terrill v. Gawker Media, LLC, et al.*, No. 16-cv-00411 (S.D.N.Y.) ("*Terrill*"), regarding an article Gawker Media published about the plaintiff's investigation into a prominent technology executive best known for working at the billion-dollar technology company Tinder.
- d. In May 2016, LSKS was retained to defend Gawker Media and individuals Nick Denton, John Cook and Sam Biddle against claims in *Ayyadurai v. Gawker Media, LLC, et al.*, 16-cv-10853 (D. Mass.) ("*Ayyadurai*"), regarding articles it published about plaintiff's purported invention of email.
- e. In February 2016, LSKS was retained to represent Gawker Media, as well as individuals Nick Denton, Irin Carmon, and Gaby Darbyshire in *Huon v. Denton*, No. 15-3049 (7th Cir.) ("*Huon*"), in an appeal arising from a post on a Gawker Media website that reported on a defamation suit plaintiff filed against a co-

defendant. (Huon appealed the trial court's order dismissing his claims against Gawker Media and the other affiliated defendants with prejudice. *See Huon v. Breaking Media, LLC*, 75 F. Supp. 3d 747 (N.D. Ill. 2014).) Huon, an attorney, has moved to appear *pro hac vice* in the companion adversary proceeding, captioned *Gawker Media, LLC v. Huon*, No. 16-01085 (Bankr. S.D.N.Y.) (the "Adversary Proceeding").

- f. LSKS also provides ongoing counseling and representation regarding editorial content issues common to news organizations, including such things as retraction demands, subpoenas, access to official proceedings and records, copyright, and newsgathering issues.
- g. Given its familiarity with the various lawsuits pending against the Debtors, LSKS has also advised Debtors' bankruptcy counsel concerning the background of the proceedings enumerated above in connection with this case and the Adversary Proceeding.

12. The professional services to be provided by LSKS, which include advising the Debtors with respect to the matters described in paragraph 11, are collectively referred to as the "Services." All of the lawsuits described in paragraph 11 are collectively referred to as the "Actions."

13. The Debtors require and will continue to require the Services throughout these chapter 11 cases. Though the automatic stay has prohibited the immediate prosecution of the pending litigation against the Debtors, the Debtors will need LSKS's expertise during the bankruptcy cases to advise them on matters concerning the lawsuits described above and related matters. Additionally, as the Court is aware, at the conclusion of the sale process, if not sooner,

the Debtors intend to modify the automatic stay to permit the appellate proceedings in *Bollea I* to continue. The Debtors also require LSKS's ongoing counseling and legal advice regarding editorial content issues (of the type described in paragraph 11(f) above), as the Debtors continue to operate their business and prepare it for sale.

14. No other law firm is providing the Debtors with the Services, except that Thomas & LoCicero PL, 601 South Blvd., P.O. Box 2602 (33601), Tampa FL 33606, and Brannock & Humphries, 1111 West Cass Street, Suite 200, Tampa FL, 33606, are also providing services as local counsel in connection with *Bollea I* and *Bollea II*. LSKS will work with Ropes & Gray LLP ("Ropes & Gray") and, if approved by the Court, Thomas & LoCicero and Brannock & Humphries to ensure that the services provided by each firm are complementary of each other and not duplicative.

15. If the Debtors were required to retain counsel other than LSKS, the Debtors, their estates, and all parties in interest would lose the benefit of LSKS's experience and expertise on the matters for which LSKS has been serving the Debtors prior to the filing of these chapter 11 cases. Moreover, the disruption and duplicative costs involved in replacing LSKS at this juncture on the Actions, and other matters, issues and controversies described in the preceding paragraphs, would be harmful to the Debtors, their estates, and their creditors.

16. The Debtors respectfully submit that LSKS is well-qualified and uniquely able to provide the specialized legal advice sought by the Debtors as set forth herein in an efficient and cost-effective manner, and LSKS's retention as special litigation counsel is in the best interests of the Debtors and their estates.

17. LSKS's services are appropriate and necessary to enable the Debtors to achieve final resolution in the pending lawsuits.

No Adverse Interest

18. As discussed in the Berlin Declaration, LSKS does not represent or hold an interest adverse to the Debtors with regard to the matters on which it will provide the Services. To the best of the Debtors' knowledge, except as specifically set forth in the Berlin Declaration and as described below, LSKS has not represented the Debtors' creditors or any other parties in interest or their respective attorneys in any matter relating to the Debtors or their estates.³

19. To the best of the Debtor's knowledge and based upon the Berlin Declaration, LSKS has not represented, nor does it now represent, any interest adverse to the Debtors with respect to the matters on which it is to be employed.

20. To the best of the Debtor's knowledge, LSKS does not hold a prepetition claim against any of the Debtors. LSKS has provided services to Gawker Media⁴ up through the time of the filing of this Application. LSKS has regularly billed, and been paid, for its legal services since October 2012. It has also accrued (but not billed) time and associated charges, and incurred disbursements, for services from the date this proceeding was initiated through the date of this Application, and it is possible that LSKS will learn of disbursements incurred prior to July 2016 that have not yet been billed by, or paid to, its respective vendors. The Debtors currently have a retainer account with LSKS with a balance of \$73,171.68.

21. In the ninety days prior to the Petition Date, the Debtors paid LSKS an aggregate of \$3,675,357.19 on account of their obligations for LSKS's continuing services in connection with the Services. During that time period, among other things, LSKS completed pre-trial preparations, a jury trial, and post-trial motions in *Bollea I*, initial proceedings in *Bollea II* and

³ If any new facts or circumstances are discovered, LSKS will supplement its disclosure to the Court.

⁴ LSKS has also represented GMGI and Kinja.

Terrill, briefing in the Seventh Circuit in *Huon*, and also completed discovery, prepared for a scheduled June 27, 2016 trial, and litigated (and on June 1, 2016 ultimately prevailed on) a summary judgment motion in *Williams*.

22. LSKS also represents certain individual non-Debtor defendants in various lawsuits, as described above. However, for the reasons set forth in the Berlin Declaration, the Debtors do not believe that there is a material conflict between the respective interests of the Debtors and non-Debtor defendants LSKS is representing and identified above in: (1) *Bollea I*; (2) *Huon*; (3) *Terrill*; (4) *Ayyadurai*; or (5) *Johnson*. As set forth in the Berlin Declaration, in all cases in which LSKS represents multiple defendants in the same action, it does so after determining that joint representation has significant advantages, that a proliferation of separate counsel could be expensive, and that each defendant has a consistent position with respect to the matter, and after advising each client that if a conflict later arises, the firm would not be able to continue representing all defendants. LSKS also expressly limits the scope of representation to exclude any matters between and among multiple clients represented in the same matter, including, without limitation, claims for indemnification or contribution. As further set forth in the Berlin Declaration, each of the above-mentioned cases names both Debtor and its agents or employees as defendants arising from the same core of facts, and, in each case, LSKS, consistent with its obligations under the Rules of Professional Responsibility, has determined that no conflict exists.

Professional Compensation

23. Subject to Court approval, and in accordance with section 330(a) of the Bankruptcy Code and the United States Trustee's Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses (the "Fee Guidelines"), and *Order Establishing*

Procedures for Interim Compensation and Reimbursement of Expenses of Professionals (the “Interim Compensation Order”) [Docket No. 94], and as set forth in the Berlin Declaration, the Debtors propose to compensate LSKS on an hourly basis, at the following rates:

Professional Level	Hourly Rate
Senior Partner	\$515
Partner	\$490
Of Counsel	\$490
Senior Associate	\$405
Mid-Level Associate	\$380
Junior Associate	\$330
Paralegal	\$215
Law Clerk	\$240

24. The preferred hourly rates set forth above are approximately twenty percent below LSKS’s standard rates for similar matters, which the Debtors negotiated based on the volume of work it has engaged LSKS to perform and which the Debtors propose to use during the pendency of these chapter 11 cases. These preferred hourly rates are subject to modest periodic adjustments, usually on February 1 of each year, to reflect economic and other conditions.

25. LSKS will maintain detailed, contemporaneous records of time and those actual and necessary expenses, for which it bills its clients, incurred in connection with the rendering of the legal services described above by category and nature of services rendered. In that regard, LSKS does not charge clients, including Debtors and Debtors’ employees on the matters enumerated above, for certain expenses (which are incorporated into the above-referenced hourly rates), including internal photocopying, postage, long distance telephone expenses, ordinary delivery charges or computerized legal research.

Statement Regarding U.S. Trustee Guidelines

26. LSKS intends to apply for compensation for professional services rendered and reimbursement of expenses incurred in connection with this chapter 11 case in compliance with applicable provisions of the Bankruptcy Code, Bankruptcy Rules, Local Rules, the Fee Guidelines, and the Interim Compensation Order. In order to protect information protected by the attorney-client privilege, the attorney work-product doctrine and other applicable privileges, the Debtors request that LSKS be permitted to redact from their Monthly Fee Statements submitted to parties other than the Court and the United States Trustee those entries reflecting such information. Subject to attorney client privilege limitations, LSKS also intends to make a reasonable effort to comply with the U.S. Trustee's requests for information and additional disclosures as set forth in the Fee Guidelines, both in connection with this Application and fee applications to be filed by LSKS in these chapter 11 cases.

27. The following information is provided in response to the request for additional information set forth in Paragraph D.1. of the Fee Guidelines:

Question: Did you agree to any variations from, or alternatives to, your standard or customary billing arrangements for this engagement?

Answer: No. The hourly rates charged by LSKS for this engagement are roughly twenty percent lower than LSKS's standard hourly rates for similar matters and are consistent with the discounted rates LSKS charges for other comparable clients (the "Discounted Preferred Rates"). LSKS will continue to apply its Discounted Preferred Rates to this engagement through the bankruptcy case.

Question: Do any of the professionals included in this engagement vary their rate based on the geographic location of the bankruptcy case?

Answer: No.

Question: If you represented the client in the 12 months prepetition, disclose your billing rates and material financial terms for the prepetition engagement, including any adjustments during the 12 months prepetition. If your billing rates and material financial terms have

changed postpetition, explain the difference and the reasons for the difference.

Answer: During the 12 month prepetition period, LSKS represented and provided legal services to the Debtors in various litigated and non-litigated matters, generally pursuant to the firm's Discounted Preferred Rates. The current Discounted Preferred Rates took effect on February 1, 2016, and reflected a firm-wide increase of 2.5% over the firm's 2015 Discounted Preferred Rates, except that (i) in *Bollea I*, LSKS and the Debtors agreed that the firm would not increase its prior rates until after the March 2016 trial and trial court proceedings concluded; and (ii) in *Williams*, LSKS agreed to charge a negotiated rate with an insurer for Debtors. As set forth above, LSKS will continue to apply its Discounted Preferred Rates to this engagement postpetition.

Question: Has your client approved your prospective budget and staffing plan, and, if so for what budget period?

Answer: LSKS and the Debtors are currently working on a budget and staffing plan for LSKS's work for the Debtors, which will be informed by the ruling by the Court as to the requested preliminary injunction and the application of the automatic stay, and whether the Debtors are ultimately permitted by the Court to continue indemnifying individual defendants, and/or advancing defense costs. The budget anticipates that LSKS will assist the Debtors with the litigations in which LSKS already represents them and in the non-litigation counseling described in paragraph 11(f) above. The Debtors anticipate a budget and staffing plan for the Bollea Litigation will be prepared shortly, and the budget for the remaining Actions will be prepared following the sale of substantially all of the Debtors' assets. The budget necessarily involves a projection of future events with limited information and is subject to change as the matters develop.

Basis for Relief

28. Section 327(e) of the Bankruptcy Code authorizes a debtor in possession to employ one or more attorneys to represent the debtor on specified matters so long as those attorneys do not represent or hold any interest adverse to the debtor or to the estate with respect to the matter on which they are to be employed. *See* 11 U.S.C. § 327(e). Moreover, section 1107(b) of the Bankruptcy Code provides that "a person is not disqualified for employment under section 327 . . . solely because of such person's employment by or representation of the debtor before the commencement of the case." *See* 11 U.S.C. § 1107(b).

29. Section 328(a) of the Bankruptcy Code authorizes the employment of a professional person “on any reasonable terms and conditions of employment, including on a retainer [or] on an hourly basis . . .” 11 U.S.C. § 328(a).

30. As discussed above, LSKS received \$3,675,357.19 within the ninety days before the petition date in respect of the active defense of multiple lawsuits on behalf of the Debtors, including one action that went through jury trial and post-trial motions during that period, another that included discovery, pre-trial, and summary judgment proceedings, a third that involved briefing and May 31, 2016 argument in the U.S. Court of Appeals for the Seventh Circuit, and several other active lawsuits.

31. The receipt of prepetition payments does not preclude a law firm from being employed as special counsel under section 327(e) so long as the receipt of such payment does not cause it to “hold any interest adverse to the debtor or to the estate with respect to the matter on which [it] is to be employed.” 11 U.S.C. § 327(e); *see also In re Mortgages Ltd.*, No. 2:08BK07465RJH, 2008 WL 5024925, at *1-2 (Bankr. D. Ariz. Aug. 14, 2008) (“[T]he potential receipt of a preference does not disqualify a firm from employment as special counsel when the debtor’s and the firm’s interests are parallel with respect to the matters for which the firm is to be employed.”); *cf. Giuliano v. Ernst & Young, LLP (In re RIH Acquisitions NJ, LLC)*, No. 13-34483, 2016 WL 2996950, at *4 (Bankr. D. N.J. May 24, 2016) (analogizing retention of ordinary course professional to retention under section 327(e) and concluding that Court need not address whether professional received preferential transfers to approve its retention). Indeed, “[s]ince the role of special counsel is, by definition, limited, the trustee need only show that there is no adverse interest related to that role itself.” *See Hogil Pharmaceutical Corp. v. Sapir (In re Innomed Labs, LLC)*, No. 07-cv-4778 (WCC), 2008 WL 276490 (S.D.N.Y. Jan. 29, 2008); *see*

also *Bank of Brussels Lambert v. Coan (In re AroChem Corp.)*, 176 F.3d 610, 622 (2d Cir. 1992) (“we should reason by analogy to 327(e), so that ‘where the trustee seeks to appoint counsel only as ‘special counsel’ for a specific matter, there need only be no conflict between the trustee and counsel’s creditor client with respect to the specific matter itself.”).

32. This Court and other courts in this district have approved retentions of counsel under section 327(e) where the law firm to be retained received substantial payments within the ninety days prior to the petition date. *See, e.g., In re SunEdison, Inc.*, No. 16-10992 (SMB) (Bankr. S.D.N.Y. May 20, 2016) [Docket No. 361] (approving section 327(e) retention of law firm that received approximately \$2.37 million in fees for legal services during the ninety days before the petition date); *In re Apex Silver Mines Ltd.*, No. 09-10182 (JMP) (Bankr. S.D.N.Y. Jan. 22, 2009) [Docket No. 57] (approving section 327(e) retention of law firm that received unspecified compensation during the ninety days before the petition date). Accordingly, the fact that the Debtors paid LSKS for services rendered within the ninety days prior to the Petition Date does not disqualify LSKS from being retained pursuant to section 327(e).

33. LSKS’s representation of non-Debtor defendants in certain of the Actions does not give rise to an adverse interest on the matters for which LSKS is to be engaged. As set forth in the Berlin Declaration, LSKS has concluded, consistent with its obligations under the Rules of Professional Responsibility, that the interests of the Debtors and the non-Debtor defendants are aligned, and are unlikely to diverge.

34. Finally, *nunc pro tunc* relief is appropriate here. The Debtors originally proposed to retain LSKS as an ordinary course professional, pursuant to the *Debtors’ Motion for Entry of an Order Authorizing the Retention and Compensation of Certain Professionals Utilized in the Ordinary Course of Business* (the “OCP Motion”) [Docket No. 53]. At the hearing held on July

7, 2016, this Court requested the removal of LSKS from the list of Ordinary Course Professionals annexed to the Motion. Since then, the Debtors, together with LSKS, have worked to gather the necessary information to submit this Application to the Court. During the time between the July 7 hearing and the filing of this Application, the Debtors have worked diligently on various matters related to the proposed sale of substantially all of its assets, and were preparing for the evidentiary hearing that was held in this Court on July 19, 2016. The Debtors respectfully submit that the brief period between the July 7 hearing and the filing of this Application is appropriate and timely under the circumstances, so as to justify *nunc pro tunc* relief.

35. For the reasons set forth in this Application and the Berlin Declaration, the Debtors submit that LSKS's retention and employment satisfies section 327(e) and this Application should be approved. If the Debtors were required to retain counsel other than LSKS, the Debtors, their estates, and parties in interest would be prejudiced, as the Debtors would lose LSKS's invaluable experience and knowledge on, *inter alia*, the litigation matters described above. Accordingly, it is in the best interests of the Debtors and their estates to retain LSKS.

Waiver of Stay

36. The Debtors also request that the Court waive the stay imposed by Bankruptcy Rule 6004(h), which provides that "[a]n order authorizing the use, sale, or lease of property other than cash collateral is stayed until the expiration of 14 days after entry of the order, unless the Court orders otherwise." Fed. R. Bankr. P. 6004(h). As described above, the relief that the Debtors seek in this Application is necessary for the Debtors to protect their interests in pending litigation and to preserve value for their estates. Accordingly, the Debtors respectfully request

that the Court waive the fourteen-day stay imposed by Bankruptcy Rule 6004(h), as the need for the relief sought herein justifies immediate relief.

Notice

Notice of this Motion has been provided to (i) the Office of the United States Trustee for the Southern District of New York; (ii) the Internal Revenue Service; (iii) the United States Attorney for the Southern District of New York; (iv) proposed counsel to the Official Committee of Unsecured Creditors; (v) counsel to US VC Partners LP, as Prepetition Second Lien Lender; (vi) counsel to Cerberus Business Finance, LLC, as DIP Lender; (v) Counsel to the Stalking Horse Bidder; (vi) those persons who have formally appeared and requested service in these cases pursuant to Bankruptcy Rule 2002; and (vii) Levine Sullivan Koch & Schulz LLP. In light of the nature of the relief requested, the Debtors submit that no other or further notice is necessary.

WHEREFORE, the Debtors respectfully requests that this Court enter an Order, substantially in the form annexed hereto as Exhibit A, (a) authorizing the Debtors to retain LSKS as special litigation counsel to the Debtors, *nunc pro tunc* to the Petition Date, for the purposes and upon the terms set forth herein; and (b) granting to the Debtors such other and further relief as may be just or proper.

Respectfully submitted,

Gawker Media LLC,

Dated: July 25, 2016

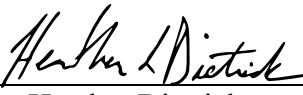

By: Heather Dietrick
President and General Counsel

Exhibit A

Proposed Order

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

-----X
: In re Chapter 11
: :
: :
: Gawker Media LLC, *et al.*,¹ Case No. 16-11700 (SMB)
: :
: Debtors. (Jointly Administered)
: :
-----X

**ORDER GRANTING DEBTORS' APPLICATION PURSUANT TO SECTION 327(e),
328(a) AND 330 OF THE BANKRUPTCY CODE, BANKRUPTCY RULES 2014 AND
2016, AND LOCAL RULES 2014-1 AND 2016-1 FOR ENTRY OF AN ORDER
AUTHORIZING THE RETENTION AND EMPLOYMENT OF LEVINE
SULLIVAN KOCH & SCHULZ, LLP AS SPECIAL LITIGATION
COUNSEL EFFECTIVE *NUNC PRO TUNC* TO THE PETITION DATE**

Upon the application (the "Application")² of the Debtors for an Order, pursuant to sections 327(e), 328(a), and 330 of title 11 of the United States Code (the "Bankruptcy Code"), Rules 2014(a) and 2016 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), and Rules 2014-1 and 2016-1 of the Local Bankruptcy Rules for the Southern District of New York (the "Local Rules") authorizing the employment of Levine Sullivan Koch & Schulz, LLP ("LSKS") as special counsel to the Debtors *nunc pro tunc* to the Petition Date; and upon the First Day Declaration and the Berlin Declaration, and the Holden Declaration; and the Court having reviewed the Application, the First Day Declaration, the Berlin Declaration, and the Holden Declaration; and the Court being satisfied with the representations made in the Application and the Berlin Declaration that LSKS represents no adverse interest to the Debtors with respect to the

¹ The last four digits of the taxpayer identification number of the debtors are: Gawker Media LLC (0492); Gawker Media Group, Inc. (3231); and Kinja Kft. (5056). The offices of Gawker Media LLC and Gawker Media Group, Inc. are located at 114 Fifth Avenue, 2d Floor, New York, NY 10011. Kinja Kft.'s offices are located at Andrassy ut 66. 1062 Budapest, Hungary.

² Capitalized terms used herein but not otherwise defined shall have the meanings ascribed to such terms in the Application.

matters on which LSKS will be employed, that its employment is necessary and in the best interests of the Debtors' estates, creditors, and other parties in interest; and it appearing that the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; and it further appearing that this matter is a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper pursuant to 28 U.S.C. §§ 1408 and 1409; and due and sufficient notice of the Application having been given under the particular circumstances; and it appearing that no other or further notice need be provided; and upon the record herein; and after due deliberation thereon; and sufficient cause appearing therefor, it is hereby

ORDERED THAT,

1. The Application is GRANTED as set forth herein.
2. Pursuant to sections 327(e), 328(a) and 330 of the Bankruptcy Code, the Debtors, as debtors and debtors in possession, are authorized to employ and retain LSKS as special counsel effective *nunc pro tunc* to the Petition Date, in accordance with the Application, the Berlin Declaration, the Holden Declaration, and this Order, to perform the Services.
3. To the extent any of the Application, the Berlin Declaration, or the Holden Declaration are inconsistent with this Order, the terms of this Order shall govern.
4. LSKS shall be compensated in accordance with the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Bankruptcy Rules, and the *Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals* (the "Interim Compensation Order") [Docket No. 94]; provided, however, that LSKS shall be permitted to redact the time entries submitted to parties other than the Court and the United States Trustee in connection with their Monthly Fee Statements to remove

information protected by the attorney-client privilege, attorney work-product doctrine or other applicable privileges, as determined by LSKS in its sole discretion.

5. Prior to applying any increases in its hourly rates beyond the rates set forth in the Application, LSKS shall provide ten days' notice of any such increases to the Debtors, the United States Trustee, counsel to the Official Committee of Unsecured Creditors, counsel to US VC Partners as Second Lien Lender, and Cerberus Business Finance LLC as DIP Lender and shall file the notice on ECF. The United States Trustee retains all rights to object to such rate increase.

6. Notwithstanding any stay that might be imposed by Bankruptcy Rule 6004(h), this Order shall be effective and enforceable immediately upon entry hereof.

7. Notwithstanding any otherwise applicable provisions to the contrary, during the pendency of these chapter 11 cases, LSKS will not represent present or future clients of LSKS on matters adverse to the Debtors in these cases. For the avoidance of doubt, LSKS's representation of non-Debtor defendants to the extent set forth in the Application shall be permitted under this Order.

8. Notwithstanding any otherwise applicable provisions to the contrary, any retainers shall be applied to the payment of fees and costs as they are approved by the Court.

9. The Debtors are authorized and empowered to take all actions necessary to implement the relief granted in this Order.

10. This Court shall retain jurisdiction with respect to all matters arising from or related to the implementation or interpretation of this Order.

Dated: August __, 2016
New York, New York

HONORABLE STUART M. BERNSTEIN
UNITED STATES BANKRUPTCY JUDGE

Exhibit B

Berlin Declaration

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

-----X
:
In re : Chapter 11
:
Gawker Media LLC, *et al.*,¹ : Case No. 16-11700 (SMB)
:
Debtors. : (Jointly Administered)
:
-----X

**DECLARATION OF SETH D. BERLIN IN SUPPORT OF DEBTORS'
APPLICATION PURSUANT TO SECTIONS 327(e), 328(a) AND 330
OF THE BANKRUPTCY CODE, BANKRUPTCY RULES 2014(a) AND
2016, AND LOCAL RULES 2014-1 and 2016-1 FOR ENTRY OF AN
ORDER AUTHORIZING THE RETENTION AND EMPLOYMENT OF
LEVINE SULLIVAN KOCH & SCHULZ, LLP AS SPECIAL LITIGATION
COUNSEL EFFECTIVE *NUNC PRO TUNC* TO THE PETITION DATE**

I, Seth D. Berlin, make this Declaration, under penalty of perjury pursuant to 28 U.S.C.
§ 1746, and hereby declare as follows:

1. I am a partner at Levine Sullivan Koch & Schulz, LLP ("LSKS") and duly
authorized to make this Declaration on behalf of LSKS. I make this Declaration in support of the
Application of Debtors Pursuant to 11 U.S.C. §§ 327(e), 328(a) and 330, Fed. R. Bankr. P.
2014(a) and 2016, and Local Rules 2014-1 and 2016 for entry of an order authorizing the
retention and employment of LSKS as special litigation counsel effective *nunc pro tunc* to the
Petition Date.² Among other state and federal bars, I am admitted and in good standing to
practice law in the State of New York and before the United States District Court for the
Southern District of New York.

¹ The last four digits of the taxpayer identification number of the debtors are: Gawker Media LLC (0492); Gawker Media Group, Inc. (3231); and Kinja Kft. (5056). The offices of Gawker Media LLC and Gawker Media Group, Inc. are located at 114 Fifth Avenue, 2d Floor, New York, NY 10011. Kinja Kft.'s offices are located at Andrassy ut 66. 1062 Budapest, Hungary.

² Capitalized terms not otherwise defined herein have the meanings ascribed to them in the Application.

2. The statements set forth below are based upon my personal knowledge or discussions with other partners and associates of LSKS, and client/matter records of LSKS, reviewed by myself or by associates of LSKS acting under my supervision and direction.

Retention of LSKS as Special Counsel for the Debtors

3. LSKS is well qualified to serve as the Debtors' special counsel in these cases. LSKS is a national law firm that practices exclusively in the field of Media Law, including First Amendment, Entertainment, and Intellectual Property law. From the firm's four offices—in New York, Washington, D.C., Philadelphia, and Denver—LSKS's thirty-six lawyers litigate First Amendment, newsroom, media, defamation, privacy, access, copyright, and other litigation matters in trial and appellate courts throughout the country.

4. Pursuant to the Application, the Debtors seek authority to retain LSKS, *nunc pro tunc* to the Petition Date, to render legal services as described below. Since on or about October 15, 2012, LSKS has represented the Debtors with respect to various First Amendment, newsroom, media, defamation, privacy, copyright, and other similar matters in litigation in courts throughout the country and in non-litigated matters. Since that time, LSKS has developed substantial experience, knowledge, and familiarity with the Debtors and certain lawsuits involving the Debtors' business and operations.

5. LSKS was first retained in October 2012 to defend Gawker Media and certain affiliated entities, as well as individuals Nick Denton, A.J. Daulerio and Kate Bennert against privacy and related claims brought by Terry Gene Bollea, the wrestler and celebrity known as "Hulk Hogan," arising from publication of excerpts from a tape depicting him engaged in an affair with Heather Clem, the wife of his best friend, radio "shock jock" Bubba the Love Sponge Clem ("*Bollea I*"). That case was originally filed in federal court, and captioned *Bollea v. Gawker Media, LLC*, 8:12-cv-2348-T-27TBM (M.D. Fla.). After several motions seeking

preliminary injunctive relief were denied by the federal court on First Amendment grounds, *see, e.g., Bollea v. Gawker Media, LLC*, 2012 WL 5509624 (M.D. Fla. Nov. 14, 2012); *Bollea v. Gawker Media, LLC*, 913 F. Supp. 2d 1325 (M.D. Fla. 2012), the plaintiff dismissed his federal court action, and re-filed his claims in state court, adding them to an existing lawsuit against the Clems. *See Bollea v. Gawker Media, LLC, et al.*, No. 12012447-CI-011 (Fla. Cir. Ct.). That case has involved extensive proceedings in the Florida courts. Following the dismissal of the other defendants, the case was tried in March 2016 against Gawker Media, LLC, Nick Denton and A.J. Daulerio, and resulted in a \$140.1 million verdict, which ultimately precipitated these Chapter 11 proceedings. The resolution of the appeal of *Bollea I* will be a significant milestone in these chapter 11 cases. In May 2016, LSKS was retained to represent Gawker Media, LLC in *Bollea v. Buchwald & Assocs., et al.*, No. 16-002861-CI (Fla. Cir. Ct.) ("*Bollea II*"), a case arising from plaintiff's claims regarding the alleged leak of a summary transcript describing racist and homophobic comments Bollea made on another sex tape involving him and Heather Clem, which he claims caused him injury. In addition to the two *Bollea* lawsuits, LSKS has also been retained to represent the Debtors and related individuals in the following pending actions:

- a. In September 2014, LSKS was engaged to represent Gawker Media, LLC and Gawker Media Group, Inc. in a lawsuit brought by retired Major League Baseball pitcher Mitchell Williams, *Williams v. The MLB Network, Inc., et al.*, No. CAM-L-3675-14 (N.J. Super. Ct.) ("*Williams*"). The plaintiff's claims in that case relate to reports on Gawker Media's sports-news website, www.deadspin.com, about alleged misconduct by Williams at a Little League Baseball game and his subsequent termination as a television commenter by The MLB Network. GMGI was voluntarily dismissed, and then the Court then granted summary judgment to

Gawker Media on June 1, 2016. Williams had indicated that he plans to appeal that ruling following a forthcoming trial against defendant The MLB Network. Williams has filed a \$50 million claim in this Chapter 11 proceeding.

- b. In June 2015, LSKS was retained to defend Gawker Media, LLC, and individuals J.K. Trotter, and Greg Howard against a defamation claim brought by a blogger in *Johnson, et al. v. Gawker Media LLC, et al.*, No. 4:15-CV-1137 CAS (E.D. Mo.). Although that case was dismissed for lack of personal jurisdiction, *see Johnson v. Gawker Media, LLC*, 2016 WL 193390 (E.D. Mo. Jan. 15, 2016), it is the Debtors' understanding that the claims were refiled in California, *see Johnson v. Gawker Media, LLC*, No. 5-CECG03734 (Cal. Sup. Ct.) ("*Johnson*"). The California case was never served, but the Debtors understand that the plaintiffs plan to pursue their claims.
- c. In January 2016, LSKS was engaged to defend Gawker Media, LLC, as well as individuals Nick Denton, John Cook and Sam Biddle in *Terrill v. Gawker Media, LLC, et al.*, No. 16-cv-00411 (S.D.N.Y.) ("*Terrill*"), regarding an article Gawker Media published about the plaintiff's investigation into a prominent technology executive best known for working at the billion-dollar technology company Tinder.
- d. In May 2016, LSKS was retained to defend Gawker Media, and individuals Nick Denton, John Cook and Sam Biddle against claims in *Ayyadurai v. Gawker Media, LLC, et al.*, No. 16-cv-10853 (D. Mass.) ("*Ayyadurai*"), regarding articles it published about plaintiff's purported invention of email.

- e. In February 2016, LSKS was retained to represent Gawker Media, LLC, as well as individuals Nick Denton, Irin Carmon, and Gaby Darbyshire in *Huon v. Denton*, No. 15-3049 (7th Cir.) (“*Huon*”), in an appeal arising from a post on a Gawker website that reported on a defamation suit plaintiff filed against a co-defendant. (Huon appealed the trial court’s order dismissing his claims against the Gawker Media and the other affiliated defendants with prejudice. *See Huon v. Breaking Media, LLC*, 75 F. Supp. 3d 747 (N.D. Ill. 2014)). Huon, an attorney, has moved to appear *pro hac vice* in the companion adversary proceeding, captioned *Gawker Media LLC v. Huon*, No. 16-01085 (Bankr. S.D.N.Y.) (the “Adversary Proceeding”).
- f. LSKS also provides ongoing counseling and representation regarding editorial content issues common to news organizations, including such things as retraction demands, subpoenas, access to official proceedings and records, copyright and newsgathering issues.
- g. Given its familiarity with the various lawsuits pending against the Debtors, LSKS has also advised Debtors’ bankruptcy counsel concerning the background of the proceedings enumerated above in connection with this case and the Adversary proceeding.

6. The professional services to be provided by LSKS, which include advising the Debtors with respect to the matters described in paragraph 5 are collectively referred to herein as the “Services.” All of the lawsuits described in paragraph 5 are collectively referred to as the “Actions.”

7. It is my understanding that the Debtors require and will continue to require the Services throughout these chapter 11 cases. I believe that the Debtors will require LSKS's expertise during these chapter 11 cases to advise them on matters concerning the Actions, including the Adversary Proceeding, automatic stay, and legal advice regarding editorial content issues (of the type described in paragraph 5(f) above), all of which is necessary as Debtors continue to operate their business and prepare it for sale. No other law firm, with the exception of Thomas & LoCicero PL, 601 South Blvd., P.O. Box 2602 (33601), Tampa FL 33606, and Brannock & Humphries, 1111 West Cass Street, Suite 200, Tampa FL, 33606, has worked with LSKS to provide the Services. Thomas & LoCicero and Brannock & Humphries are local and appellate counsel respectively in connection with *Bollea I* and *Bollea II*. LSKS will coordinate with Ropes & Gray LLP, and, if approved by the Court, Thomas & LoCicero, Brannock & Humphries, to ensure that the services provided by each firm are complementary of each other and not duplicative.

No Adverse Interest with Respect to the Matters on which LSKS is to be Retained

8. In connection with its proposed retention under section 327(e) of the Bankruptcy Code, LSKS searched its client/matter records to determine whether it had any conflicts or other connections that might cause it to hold or represent an interest adverse to the Debtors with respect to the matters on which LSKS is to be employed (the "Disclosure Procedures"). As part of the Disclosure Procedures, the Debtors provided LSKS with a list of the Debtors' significant prepetition creditors, vendors, professionals, and other potential parties in interest (collectively, the "Interested Parties"), a summary of which is attached as **Exhibit 1** to this Declaration. Pursuant to the Disclosure Procedures, LSKS performed the actions described below to determine whether LSKS or any of its attorneys have any connections with, or are currently representing, any Interested Parties in these chapter 11 cases:

- a. LSKS compared each of the Interested Parties to the names that LSKS maintains in its master client database created from its conflict clearance records. LSKS's client database includes, among other information, (i) the name of each current or former client and (ii) the names of the LSKS attorneys responsible for managing such current or former matters.
- b. Two categories of matches between the Interested Parties and the entities in LSKS's client database were identified. The first category is other current LSKS clients, defined as clients for whom LSKS has an active matter or has done any work in the past two years, on matters wholly unrelated to Debtor. Three LSKS clients fit this category. Two of these three clients are named in **Exhibit 2**. The third client retained LSKS on a confidential basis to perform work wholly unrelated to Debtor, and accounted for none of LSKS's revenue in 2015 and less than 0.1 percent of LSKS's revenue to date in 2016.
- c. The second category of matches between the Interested Parties and the entities in LSKS's client database are individual defendants in the lawsuits identified above, who are listed in **Exhibit 3**.
- d. In addition, a general inquiry to all LSKS attorneys, staff, and other employees was sent by electronic mail to determine if any LSKS partner, counsel, managing associate, associate, or trainee (i) is related to (A) any United States bankruptcy judge in the Southern District of New York, (B) any employee of the United States Bankruptcy Court for the Southern District of New York, or (C) any employee of the Office of the United

States Trustee; (ii) owns any debt or equity security of the Debtors other than through mutual funds, blind trusts or other investments as to which individuals have no discretion as to the selection of the underlying assets; (iii) holds a claim against the Debtors; or (iv) is or was an officer, director, or employee of the Debtors. As a result of that inquiry, no such relationships were identified.

9. The client connections listed on **Exhibit 2** were reviewed both by me and by an attorney working under my supervision. Based upon that review, it is my belief that, in respect of each connection between LSKS and such parties, LSKS, as required by section 327(e) of the Bankruptcy Code, does not hold or represent an interest that is adverse to the Debtors' estates with respect to the Services for which LSKS is proposed to be employed. With regard to **Exhibit 3**, in all cases in which LSKS represents multiple defendants in the same action, it does so after determining that joint representation has significant advantages, that a proliferation of separate counsel could be expensive, and that each defendant has a consistent position with respect to the matter, and after advising each client that if a conflict later arises, the firm would not be able to continue representing all defendants. LSKS also expressly limits the scope of representation to exclude any matters between and among multiple clients represented in the same matter, including without limitation claims for indemnification or contribution. Each of the above-mentioned cases names both Debtor and its agents or employees as defendants arising from the same core of facts, and in each LSKS, consistent with its obligations under the Rules of Professional Responsibility, has determined that no conflict exists.

10. LSKS currently employs thirty-six qualified lawyers in offices in New York, Washington, D.C., Philadelphia, and Denver. LSKS serves the legal needs of creators and

providers of virtually every type of content across all media platforms, most frequently representing media companies and their employees. Some of these entities are, or may consider themselves to be, creditors or parties in interest in the Debtors' chapter 11 cases or to otherwise have interests in these cases. LSKS has represented, currently represents, and/or may represent in the future persons or entities listed among the Interested Parties (or their affiliates) in matters unrelated to the Services for which LSKS is to be retained.

11. As a supplement to the disclosure of LSKS's connections with the Interested Parties set forth in Exhibit 2, and without limiting such disclosure, to the best of my knowledge and information, none of the Interested Parties represented three percent (3%) or more of LSKS's gross revenue for the 12-month period ending December 31, 2015. In addition, none of the Interested Parties represented two percent (2%) or more of LSKS's gross revenue for the 2016 calendar year to date. To the extent issues may arise that would cause the Debtors to be adverse to the above listed entities, or any other client of LSKS, such that it would not be appropriate for LSKS to represent the Debtors with respect to those matters, the Debtors' other professionals or special conflicts counsel will represent the Debtors with respect to such issues.

12. As a further supplement to LSKS's disclosures set forth herein, and without limiting such disclosures, LSKS's employees may have and/or may have had dealings with the Debtors in the ordinary course of the Debtors' business.

13. Further, LSKS, its partners, counsel, managing associates, associates, trainee solicitors and/or other employees of LSKS:

- a. may have appeared in the past, and may appear in the future, in other cases unrelated to these cases or unrelated to the Services for which LSKS is to

be retained where the Debtors' creditors or other parties with an interest in the Debtors may be involved;

- b. may represent, or may have represented, certain of the Debtors' creditors or other parties with an interest in the Debtors in matters that are unrelated to these chapter 11 cases or unrelated to the Services for which LSKS is to be retained; and
- c. may have had dealings with creditors or other parties with an interest in the Debtors that are unrelated to these chapter 11 cases or unrelated to the Services for which LSKS is to be retained.

14. LSKS has conducted a general inquiry of all legal personnel to determine whether any of these individuals owns any debt or equity securities of the Debtors or their affiliates other than in connection with investments in mutual funds, blind trusts or other investments as to which such individual has no discretion as to the selection of the individual underlying assets. Based on responses to this inquiry, I understand that as of the date hereof, none of the LSKS personnel surveyed owns any debt or equity securities of the Debtors or their affiliates.

15. As a First Amendment and media law firm that typically represents media companies in publicly filed litigation, LSKS does not typically possess confidential business information of its clients. However, LSKS has a long-standing policy prohibiting all personnel from disclosing or using any confidential client or other information that may come to their attention in the course of their work.

16. To the best of my knowledge, information, and belief, insofar as I have been able to ascertain after reasonable inquiry, neither I, nor LSKS, nor any partner or associate

thereof, has any connection with the United States Trustee for the Southern District of New York or any person employed by the Office of the United States Trustee.

17. LSKS believes that it can adequately represent the interests of the Debtors.

To the best of my knowledge, information and belief, LSKS has not represented any creditor, interest holder or other party in interest in connection with their respective dealings with the Debtors in the previous two years, except as disclosed herein. LSKS has fully informed the Debtors of its ongoing representation of the entities and individuals identified in **Exhibit 2** and **Exhibit 3**.

18. LSKS is confident that its diligence has resulted, to the greatest extent possible, in the disclosure of all potential conflicts. However, client relationships with persons or entities that are not listed on **Exhibit 1**, **Exhibit 2**, and **Exhibit 3** but who may nonetheless be or later become parties in interest in these chapter 11 cases, would not be disclosed in this Declaration. In this regard, if LSKS discovers additional information regarding Interested Parties that requires disclosure, it will submit a supplemental disclosure to the Court containing such additional information.

19. LSKS has provided services to Gawker Media³ up through the time of the filing of this Application. LSKS has regularly billed, and been paid, for its legal services since October 2012. It has also accrued (but not billed) time and associated charges, and incurred disbursements, for services from the date this proceeding was initiated through the date of this Application, and it is possible that LSKS will learn of disbursements incurred prior to July 2016 that have not yet been billed by, or paid to, its respective vendors. The Debtors currently have a retainer account with LSKS with a balance of \$73,171.68.

³ LSKS has also represented GMGI and Kinja.

20. In the ninety days prior to the Petition Date, the Debtors paid LSKS an aggregate of \$3,675,357.19 on account of their obligations for LSKS's continuing services in connection with the Services. During that time period, among other things, LSKS completed pre-trial preparations, a jury trial, and post-trial motions in *Bollea I*, initial proceedings in *Bollea II* and *Terrill*, briefing in the Seventh Circuit in *Huon*, and also completed discovery, prepared for a scheduled June 27, 2016 trial, and litigated (and on June 1, 2016 ultimately prevailed on) a summary judgment motion in *Williams*.

21. To the best of my knowledge, information, and belief, LSKS does not hold or represent an interest adverse to the Debtors or their respective estates with respect to the matters for which LSKS is proposed to be retained. Accordingly, I believe that LSKS satisfies the requirements for employment as special counsel pursuant to section 327(e) of the Bankruptcy Code.

Professional Compensation

22. Subject to the Court's approval, LSKS will charge for its services on an hourly basis in one-tenth hour (.1) increments, in accordance with the discounted, preferred rates it agreed, prepetition, to provide to Debtors. LSKS's range of discounted hourly rates with respect to those LSKS lawyers currently expected to spend significant time on these chapter 11 cases, subject to change from time to time:

Professional Level	Hourly Rate
Senior Partner	\$515
Partner	\$490
Of Counsel	\$490
Senior Associate	\$405
Mid-Level Associate	\$380
Junior Associate	\$330
Paralegal	\$215
Law Clerk	\$240

23. The preferred hourly rates set forth above are approximately twenty percent below LSKS's standard rates for similar matters, which the Debtors negotiated based on the volume of work it has engaged LSKS to perform and which the Debtors propose to use during the pendency of this chapter 11 proceeding. These preferred hourly rates are subject to periodic adjustments, usually on February 1 of each year, to reflect economic and other conditions.

24. LSKS also intends to seek reimbursement of those actual and necessary expenses, for which it bills its clients, incurred in connection with the rendering of the legal services described above by category and nature of services rendered. In that regard, LSKS does not charge clients, including the Debtors and the Debtors' employees on the matters enumerated above, for certain expenses (which are incorporated into the above-referenced hourly rates), including internal photocopying, postage, long distance telephone expenses, ordinary delivery charges or computerized legal research.

25. LSKS intends to seek compensation in accordance with the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, any applicable orders of the Court, the *Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals* (the "Interim Compensation Order") [Docket No. 94], the Amended Guidelines for Fees and Disbursements for Professionals in Southern District of New York Bankruptcy Cases M-447 (Jan. 29, 2013), and the U.S. Trustee Guidelines (the "Fee Guidelines"). In order to protect information protected by the attorney-client privilege, the attorney work-product doctrine and other applicable privileges, LSKS seeks permission to redact from their Monthly Fee Statements submitted to parties other than the Court and the United States Trustee those entries reflecting such information.

26. Subject to attorney client privilege limitations, LSKS also intends to make a reasonable effort to comply with the U.S. Trustee's requests for information and additional disclosures as set forth in the U.S. Trustee Guidelines, both in connection with this Application and fee applications to be filed by LSKS in these chapter 11 cases.

27. LSKS currently holds a retainer from the Debtors in the amount of \$73,171.68.

Statement Regarding U.S. Trustee Guidelines

28. The following information is provided in response to the request for additional information set forth in Paragraph D.1. of the U.S. Trustee Guidelines:

Question: Did you agree to any variations from, or alternatives to, your standard or customary billing arrangements for this engagement?

Answer: No. The hourly rates charged by LSKS for this engagement are roughly twenty percent lower than LSKS's standard hourly rates for similar matters and are consistent with the discounted rates LSKS charges for other comparable clients (the "Discounted Preferred Rates"). LSKS will continue to apply its Discounted Preferred Rates to this engagement through the bankruptcy case.

Question: Do any of the professionals included in this engagement vary their rate based on the geographic location of the bankruptcy case?

Answer: No.

Question: If you represented the client in the 12 months prepetition, disclose your billing rates and material financial terms for the prepetition engagement, including any adjustments during the 12 months prepetition. If your billing rates and material financial terms have changed postpetition, explain the difference and the reasons for the difference.

Answer: During the 12 month prepetition period, LSKS represented and provided legal services to the Debtors in various litigated and non-litigated matters, generally pursuant to the firm's Discounted Preferred Rates. The current Discounted Preferred Rates took effect on February 1, 2016, and reflected a firm-wide increase of 2.5% over the firm's 2015 Discounted Preferred Rates, except that (i) in *Bollea I*, LSKS and the Debtors agreed that the firm would not increase its prior rates until after the March 2016 trial and

trial court proceedings concluded; and (ii) in *Williams*, LSKS agreed to charge a negotiated rate with an insurer for Debtors. As set forth above, LSKS will continue to apply its Discounted Preferred Rates to this engagement postpetition.

Question: **Has your client approved your prospective budget and staffing plan, and, if so for what budget period?**

Answer: LSKS and the Debtors are currently working on a budget and staffing plan for LSKS's work for the Debtors, which will be informed by the ruling by the Court as to the requested preliminary injunction and the application of the automatic stay, and whether the Debtors are ultimately permitted by the Court to continue indemnifying individual defendants, and/or advancing defense costs. The budget anticipates that LSKS will assist the Debtors with the litigations in which LSKS already represents them and in the non-litigation counseling described in paragraph 5(f) above. The Debtors anticipate a budget and staffing plan for the Bollea Litigation will be prepared shortly, and the budget for the remaining Actions will be prepared following the sale of substantially all of the Debtors' assets. The budget necessarily involves a projection of future events with limited information and is subject to change as the matters develop.

29. No promises have been received by LSKS, or any partner, counsel, or associate of LSKS, as to payment or compensation in connection with these chapter 11 cases other than in accordance with the provisions of the Fee Guidelines.

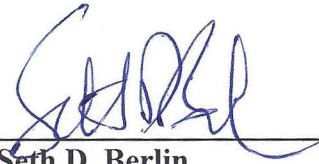
30. LSKS has not shared or agreed to share any of its compensation from the Debtors with any person, other than with partners, counsel, associates, or other employees of LSKS as permitted by section 504 of the Bankruptcy Code.

[remainder of page intentionally left blank]

31. LSKS will use reasonable efforts to coordinate with the Debtors' other retained professionals to avoid any unnecessary duplication of services.

I declare under penalty of perjury that, to the best of my knowledge and after reasonable inquiry, the foregoing is true and correct.

Executed this 25th day of July, 2016.



Seth D. Berlin

Exhibit 1

SCHEDULE 1

List of Schedules

<u>Schedule</u>	<u>Category</u>
1(a)	Debtors and Trade Names
1(b)	Current and Recent Former Directors and Officers
1(c)	Potential Contract Counterparties
1(d)	Insurers
1(e)	Other Interested Parties
1(f)	Landlords
1(g)	Litigants
1(h)	Professionals
1(i)	Shareholders
1(j)	Significant Customers
1(k)	Significant Unsecured Creditors
1(l)	Significant Vendors
1(m)	Taxing Authorities
1(n)	U.S. Trustee and Key Court Personnel for the Southern District of New York
1(o)	Utilities
1(p)	Employees and Independent Contractors

SCHEDULE 1(a)

Debtors and Trade Names

Gawker Media Group, Inc.

Gawker Media LLC

Kinja Kft.

Blogwire Hungary Intellectual Property Licensing LLC

Blogwire Hungary Kft.

Gawker.Com

Blogwire Hungary Intellectual Property Licensing
LLC

Blogwire Hungary Kft.

Curbed.com LLC

Gawker Sales LLC

Gawker.Com

RGFREE

Vox Media, Inc.

Blogwire

Deadspin

Defamer

Gawker

Gawker Stalker

Gizmodo

io9

Jalopnik

Jezebel

Kinja

Kotaku

Lifehacker

Sploid

Valleywag

SCHEDULE 1(b)

Current and Recent Former Directors and Officers

Albertson, Josh

Darbyshire, Gabrielle

Denton, Nicholas

Dietrick, Heather

Epstein, Jason

Fette, Ian

Holden, William

Kidder, Scott

Plunkett, Thomas

Szasz, Peter

Tillman, Scott

Weinbrecht, Adrian

SCHEDULE 1(c)

Potential Contract Counterparties

114 Fifth Avenue Ground Lessee LLC	Alexandre Dohrmann
114 Fifth Owner LP	Alissa Walker
204-210 Elizabeth Street LLC c/o S.W. Management LLC	All You Can Move SportPass Europe
204-210 Elizabeth Street LLC	Allison Jones
3293 Pacific LLC	Allison Wentz
A Mediocre Corporation	Allure Media Pty Limited
A Small Orange, LLC.	AM Lab Americas, LLC.
A9.com, Inc.	Amanda Marandola
Access Intelligence, LLC	Amazon Services LLC
Adam Clark Estes	Amazon Web Services, Inc.
Adam Pash	Amazon.com, Inc.
Adam Weinstein	Anastasia Weeks
Ad-Juster, Inc.	Andrassy Palota Ingatlanfogalmazo Kft.
Admeld, LLC	Andrea Park
Adsfactor Holdings Limited	Andrew Collins
AdSlot Technologies, LTD.	Andrew Cush
Adtech US, Inc.	Andrew Gorenstein
Aegon Magyarország Zrt.	Andrew Harding
AGIS Fire & Security Kft.	Andy Orin
AIG	Angela Alzona
Alan Henry	Angela Wang
Alan Kwon	Anna Merlan
Albert Burneko	Anthony Carnevale
Aleksander Chan	Anthony Hack
Alex Cranz	AOL Advertising Inc.
Alex Dickinson	Ariana Cohen
Alex Pareene	Ariel Viera
Alexandra Cannon	Ashley Feinberg
Alexandra Philippides	Ashton Galloway

Atlantic Metro Communications II, Inc.	Clover Hope
Attila Illes	ClubW
Ava Gyurina	Colleen McMillan
Balazs Keki	Colliers International
BarkBox, Inc.	Colliers International Kft.
Barry Petchesky	Coltiers Nemzetkozi Ingattanuzemeltet6 es Kezel6 Kft.
Ben Regenspan	Combat Flip Flops, LLC.
BlueApron.com	Comic Cartel
Brainy Labs, LLC	ComScore, Inc.
Brandon McCoy	Corporate Communications Bt.
Brendan O'Connor	Courtenay O'Connor
Bridget Brown	Daniel Morgan
Bryan Lufkin	Darren Orf
Bryan Menegus	Dashlane Inc.
C&G Group Kft c/o Brody House Group	DataGram
Cadreon, LLC.	Datagram Incorporated
Caitleen Weaver	Dave McKenna
Camila Cabrer	David Tracy
Camilla Baker	Dayna Evans
Casey Speer	Devin Clark
Casper Sleep Inc.	Diana Moskovitz
Catherine LeClair	Diane Kelly
Cecilia D'Anastasio	Diego Pineda
Chad Bernstein	DineInFresh, Inc. dba Plated
Chelsey Hoffman	Dollar Shave Club, Inc.
Cheryl Eddy	DOUBLECLICK
Chris Neveu	Dr. Torzsa Peter Bt.
Chris Person	DreamHost
Chris Vespoli	Drew Magary
Christina Blacken	Driftaway Inc.
ClickMeter	Earnest Inc.
ClickStream	Eleanor Shechet
Cloudinary Ltd.	

Elisa Solinas	Gorilla Nation Media, LLC
Emily Ambruso	Grace Robertson
Emily Herzig	Graze Inc.
Emma Carmichael	Green Fox Academy
Emprese Cedente	Greg Howard
Eric Goldfarb	Greg Lopez
Eric Ravenscraft	GroupDynamics Kft
Erika Audie	Gunnar Optiks
Erin Gloria Ryan	Gyorgy Bokros
Erin Pettigrew	Hajtas Pajtas Kft.
Esther Inglis-Arkell	Handy.com
Ethan Sommer	Hannah Keyser
Evan Narcisse	Happy Socks
Eyal Ebel	Heather Dietrick
F451	Heather Hynes
F451 fka Spicy Media Editora Ltda	Heidi Grothaus
F451 Media Editora Ltda.	HelloFresh
Fabiola Lara	Hillary Crosley
Facebook Ireland Limited	Hostgator.com, LLC.
Facebook, Inc.	Huckberry
Fastly, Inc.	Hunter Slaton
Federal Insurance Company	Ian Fette
Fluxmob, LLC.	IDrive Inc.
Framebridge, Inc.	Ilona Bilevych
Fritzie Andrade	Incisive Ltd
Future Publishing Limited	Incisive VNU Limited dba Incisive Incisive Ltd
Gabrielle Bluestone	Incisive VNU Ltd
GeekFuel, LLC.	Index Exchange Inc.
Germain Lussier	Infobahn Inc.
Giri Nathan	Integral Ad Science, Inc.
Globalway Participacoes Ltda.	IseeQ Kft.
Gloria Clark	J.K Trotter
Google Inc.	

Jake Inferrera	Justin Cross
Jalovszky Law	Justin Potter
James Bartus	JW Player / LongTail Ad Solutions, Inc.
James Bit Design	Kaila Hale-Stern
James Delgiudice	Kanwar Gill
Jamie Weber	Kara Brown
JapanCrate	Kargo Global, Inc.
Jared Auslander	Karma Mobility Inc.
Jason Parham	Kate Dries
Jason Schreier	Kate Knibbs
Jason Torchinsky	Kate Lovejoy
Jay Hathaway	Katharine Trendacosta
Jeffrey Hilder	Kathryn McGinnis
Jennifer Ouellette	Katie Drummond
Jia Tolentino	Kavitha Reddy
Jillian Marie Lucas	Kelly Conaboy
Jim Boos	Kelly Faircloth
Jim Cooke	Kelly Monson
Jim Cooke	Kelly Stout
Joanna Rothkopf	Kerrie Uthoff
Joel Johnson	Kevin Draper
John Appel	Kid Thursday LLC., dba Staus Audio
John Cook	Kirk Hamilton
John Gelini	Kixer
Jordan Sargent	Kolozsvari Timea
Josh Bottino	Kravitha Reddy
Josh Laurito	Krux Digital, Inc.
Joshua Albertson	Lacey Donohue
Judy Steinbach	Lauren Bertolini
Julia Alvidrez	Leah Beckmann
Julian Muller	Leah Finnegan
Julianne Escobedo Shepherd	LendingTree, LLC.
Jung Sin	Lindsay Chipman

Lindsey Jaffe	Mia Libby
Lisa Bolano	Michael Fahey
LiveIntent, Inc.	Michael Kuntz
LiveRail, Inc.	Michael Lindsay
LOLA	Michael Nunez
Lucy Haller	Michael Orell
Madeleine Davies	Michael Roselli
Madeleine Stone	Michele LaFauci
Madison Plus Select, Inc.	Michelle Chiang
Malcolm Read	Mike Ballaban
Mandy Mandelstein	Mikolaj Szabo
Margaret Taormina	Ministry of Supply
Marina Galperina	Miranda Langrehr
Mario Aguilar	Moat, Inc.
Maritza Sanche	Mobiles Republic, Inc.
Mark Weldon	Mollie Horan
Market Halsey Urban Renewal, LLC.	Moore Stephens Hezicomp Kft.
MarkMonitor Inc.	Mott & Bow
Matt Hardigree	MoviePass
Matt Novak	MVMT Watches
Matthew Hamer	Nameaction Brasil Serv de Inter Ltda ME
Matthew Kulper	NameAction Inc.
Mediagene, Inc.	Nandita Raghuram
MediaGene, Inc. fka Infobahn, Inc.	Natasha Vargas-Cooper
MediaMind Technologies, Inc.	Nathan Grayson
Megan Gilbert	NatureBox
Megbizott	Nervora Digital Media Group, FZ-LLC
Melissa Green	NetMediaEurope
Melissa Murray	Netus Media Pty Limited dba Allure Media Pty LTD
Merch Direct, LLC	Nevora Digital Media Group
Merchant Importacao, Exportacao e Comercio, Ltda - ME	NewsCred, Inc.
MeUndies	Nicholas Murphy

Nick Stango	Rob Harvilla
Noble People	Robert Finger
OCP Collective Corp. dba Adcade, Inc.	Ryan Brown
Omar Kardoudi	S&T Consulting Hungary Kft.
OnMarc Media	Sam Biddle
Operative Media, Inc.	Sam Scherer
Oppenheim Ugyvedi Iroda	Sam Woolley
Opportune LLP	Samantha Lagani
Optimizely, Inc.	Samer Kalaf
Oriole Media Corporation dba Juice Mobile	Samuel Griffel
Oscar Z. Ianello Associates, Inc.	Sarah Dedewo
Owen & Fred Corp.	Sarah Wiest
Pacific Shaving Company	Scott Kidder
Parachute Home	Sean Buckley
Patricia Hernadez	Sean MacDonald
Patrick Ballester	SeatGeek
Patrick Klepek	Shane Roberts
Patrick Laffoon	Shep McAllister
Patrick Redford	Shopify
Paul Sundue	SimpleReach, Inc.
PAX	Skillshare, Inc.
Percona, Inc.	Skimbit Limited
Perfect World Entertainment	SkimBit LTD.
Peri Hochwald	SmartFX
Pixel Media Asia Limited	SocialFlow, Inc.
Platinum Rye, LLC.	Sophie Kleeman
Pop Chart Lab	Soundfreaq
Poprageous	Specless, LLC.
Puja Patel	Spicy Media Editora LTDA
Quench USA, Inc.	SpruceWares
Quip NYC Inc.	Squarespace, Inc.
Rhone Apparel Inc.	Stackcommerce
Riley MacLeod	Staq, Inc.

Starcom SMG	Tom Ley
Stassa Edwards	Tom Plunkett
Stephanie Schrader	Tom Scocca
Stephen Totilo	Tommy Craggs
Steve Climaco	Toth Eva Nagykanizsa
Steven Polletta	Tremor Video, Inc.
Stowaway Cosmetics	UCMS Group Hungary Kft.
STS Meida, Inc.	Udemy.com
Stuart Cheshire	Veronica de Souza
Sultana Khan	Victor Jeffreys
Superdry Wholesale, LLC	Viddler, Inc.
Suzy Kuzy, LLC.	VNU Business Media Europe Limited
Szolgaltato	Waves Gear, LLC.
Taboola Inc.	We Work
Tamas Neltz	Wesley Siler
Tara Jacoby	WeWork LA LLC
Taylor Berman	Whitson Gordon
Technorati, Inc.	William Arkin
Terra Networks Brasil S.A.	William Haisley
TGT	William Turton
The Rubicon Project, Inc.	Wine Awesomeness
The Sasquatch Soap Co., LLC. dba Dr. Squatch	Wrights Media, LLC
The Status Audio	Writers Guild of America, East
Thorin Klosowski	Yannick LeJacq
Tim Burke	Zach Custer
Time Shred Services, Inc.	Zachary Connett
Times Internet Limited	Zoe Stahl

SCHEDULE 1(d)

Insurers

Aegon Magyarorszag Zrt.

AIG Europe Limited

Dewitt Stern Group, Inc.

Federal Insurance Company

Hartford Casualty Insurance Company

Hudson Insurance Company

National Union Fire Insurance Co. of Pittsburgh PA

United Healthcare Insurance Company

SCHEDULE 1(e)

Other Interested Parties

Cerberus Business Finance LLC

Houlihan Lokey, Inc.

K&H Bank

Latham & Watkins

Prime Clerk LLC

Riemer & Braunstein, LLP

Schulte Roth & Zabel LLP

Securities & Exchange Commission

Securities & Exchange Commission – NY Office

Silicon Valley Bank

Sullivan & Cromwell LLP

US VC Partners LP

SCHEDULE 1(f)

Landlords

Andrassy Palota Ingatlanforgalmazó Korlátolt Felelősségű Társaság
114 Fifth Owner LP

SCHEDULE 1(g)

Litigants

Aulistar Mark
Andrew Hudson
Zachary Cianflone
Lindsay MaHarry
Katherine Castellana
Elizabeth Nadybal
Chelsea Lo Pinto
Tim Barribeau
Patrick Frawley
Elizabeth Weinbloom
Kristin Chan
Samuel Julian
Brian Colgan
Benjamin Dorson
Rachel Atwood
Michael Kennelly
Alyssa Bereznak
Lily Newman
Kwame Opam
Terry Gene Bollea
Mitchell Williams
Meanith Huon
Ashley Terril
Charles Johnson and Got News, LLC
Teresa Thomas
Shiva Ayyadurai
Christopher Sadowski

SCHEDULE 1(h)

Professionals

Akerman LLP

Cahill Gordon & Reindel LLC

Citrin Cooperman & Co., LLP

Giskan Solotaroff & Anderson LLP

Goldin Solutions

Jalsovszky Law Firm

John Duncan

Klasko Immigration Law Partners, LLP

Levine Sullivan Koch & Schulz, LLP

Maples & Calder

Morrison Cohen LLP

Newmark & Co. Real Estate, Inc.

Oppenheim Law Firm

Opportune LLP

Proskauer Rose LLP

Trifolium LLC

Wilk Auslander

Zwillgen PLLC

SCHEDULE 1(i)

Shareholders

Berman, Taylor	Hamer, Matt
Bertolini, Lauren	Hardigree, Matt
Blakeley, Richard Erand	Holmes, Anna
Bluestone, Gabrielle	Jefferson, Whitney
Brown, Ryan	Kang, Daniel
Carmichael, Emma	Kidder, Scott
Carmon, Irin	Kozma, Jozsef
Chan, Casey	Lam, Brian
Coen, Jessica	Layne, Ken
Cooke, Jim	Lehnhoff, Jim
Craggs, Tommy	Leitch, Will
Crecente, Brian	Lisanti, Mark
D'Addario, John	Lopez, Greg
Darbyshire, Gaby	Ma, Jesse
Daulerio, Albert	McGill, Erin
DelGiudice, James	Nachlin, Jim
Denton, Nick	Newitz, Annalee
Diaz, Jesus	Nolan, Hamilton
Dietrick, Heather	O'Connor, Maureen
Dimmitt, Elizabeth	Pash, Adam
Dimmitt, Genevieve	Petrány, Máté
Duncan, John	Pettigrew, Erin
Ebel, Eyal	Plunkett, Tom
Furman, Eliot, as custodian for Alexander Tiberius Furman under the NYUTMA	Read, Malcom
Futrelle, Genevieve	Robischon, Noah
Giacoman, Gabriela	Schreier, Jason
Gorenstein, Andrew	Schwartz, Diane
Greenmount Creek Limited	Schweizer, Julia
Hale-Stern, Kaila	Scocca, Thomas

Sicha, Choire
Spinelli, Mike
Steele, Lockhart
Stein, Sadie
Takayama, Greg
Tate, Ryan
Thomas, Owen
Toder, Matthew
Trapani, Gina
US VC Partners LP
Vuong, Phillip
Wert, Ray
Winkelman (Ortega), Samantha
Woerner, Meredith
Albertson, Josh
Annis, Rose
Baker, Camie
Batty, Chris
Biddle, Sam
Bodnár, István
Burke, Tim
Climaco, Steve
Cook, John
Curtis, Dustin
Donohue, Lacey
Drummond, Katie
Fette, Ian
George, Patrick
Georgopoulos, Steph
Gonzalez, Robert
Graham, Kevin
Grothaus, Heidi
Hathaway, Jay

Henry, Alan
Hilder, Jeff
Jeffries, Victor
Juzwiak, Rich
Kéki, Balázs
Knibbs, Katharine
Körtesi, Gáspár
Laurito, Josh
Libby, Mia
Magary, Drew
Marchman, Tim
McAllister, Shep
McKenna, Dave
Mittelhammer, Eric
Morgan, Daniel
Neltz, Tamas
Nevins, Maxwell
Novak, Matt
O'Connor, Courtenay
Pareene, Alex
Parham, Jason
Petchesky, Barry
Popken, Ben
Price, John
Reddy, Kavi
Regenspan, Ben
Roberts, Shane
Sargent, Jordan
Sommer, Ethan
Sundue, Paul
Szász, Péter
Szatmári, András
Taomina, Margaret

Tiku, Nitasha
Totilo, Stephen
Trotter, JK
Udvardi, Ramóna
Walker, Alissa
Weaver, Caity
Weinstein, Adam
Wentz, Allison

SCHEDULE 1(j)

Significant Customers

20th Century Fox	Earnest
360i	Empowering Media LA
A9.com Inc. (Amazon Match Buy)	Empowering Media NY
Accordant Media	Essence
Adslot	f451 - US
Aegis Group	Facebook
Alliance Games	Factorylabs
Allure Media - GM	Fallon
Amazon	Future Publishing Ltd (US)
Amazon Commerce Revenue	General Mills, Inc.
AOL One	Google (BizDev)
Asana (Customer)	Graze
Assembly	Havas
Baru Advertising	Horizon Media
Blue Apron	HostGator
Blue Wheel Media	Hover
Bluehost	HTC Blinkfeed
Brigade Marketing	IBM
Casper	Indochino
Centro	Initiative LA
Cisco	Initiative NY
Cramer-Krasselt	Interpublic Group of Companies
Criteo	iSocket, Inc.
Crossmedia	ITVS
Desk.com	Kepler Group
Dialect Inc	Ketchum
DigitasLBi	Kovel Fuller
Dollar Shave Club	Kruskopf & Company
Draftkings	Liquid Advertising

LivWell	SquareSpace
Logmein.com	StackSocial
MarkLogic	Status Audio
McGarrah Jessee	Sterling Rice Group
Me Undies	Superdry Wholesale LLC
Mediagene Inc - US	Taboola (Biz Dev)
Mediasmith	Tangible Media
Mediastorm, LLC	TaxFyle
Merkley and Partners	The Garage Team Mazda
MillerCoors	TubeMogul
MNI	UCB
MODCo Media	Udemy
Mullen	Varidesk
NameCheap	Viewster.com
Newscred	VOX Media - Curbed Investment
Nokia	VSN
NVIDIA	WavesGear
Omnicom Group	weBoost
Pereira & Odell	Wieden & Kennedy
Petrol	Wildcard Properties LLC
PGR Media	WPP
Protein	Wright's Media
Publicis Groupe	Zeno Group
R/West	
Rachael Piper Consulting	
Randomhouse	
RED Interactive Agency	
Rodger's Townsend	
RPA	
Rubicon	
Skillshare	
Slack	
Spacetime Media	

SCHEDULE 1(k)

Significant Unsecured Creditors

Ad-Juster, Inc. (media)	JW Player (Longtail Ad Solutions, Inc.)
ADP Workforce Now	Katherine Fry
Akerman LLP	Kinja Accounts Payable
Alex Palmer	Krux Digital
Andrew Harding	L-Cut Digital Media, Inc.
AOL Advertising	Market Halsey Urban Renewal, LLC
Associated Press	Marlena Agency Inc.
Blane Bachelor	Medialink
Brandtale	Merrill Communications, LLC
CDW Direct	Metropolitan Cleaning, LLC
Cloudinary Ltd.	Moat Inc.
Concur Technologies, Inc.	Morrison Cohen LLP
Corbis Corporation	Newmark & Co. Real Estate, Inc.
Corey Foster	Nick Wong Photography
Creative Circle, LLC.	NSONE Inc.
DataGram	Operative Media, Inc
DoubleVerify, Inc.	Optimizely, Inc.
DRH Internet Inc	Pacific Coast News
Equinox Fitness Clubs - Corp Accts	Plant Specialists LLC
Fastly	QZZR
Fried, Frank, Harris, Shriver & Jacobson LLP	REDBOOKS
Getty Images	Risk Strategies Company
Giacco Furino	Shenker & Bonaparte, LLP
Google Inc. (DoubleClick)	SimpleReach, Inc.
Google, Inc. (Analytics)	Sizmek Technologies Inc.
Hunter Slaton	Specless
Ian Fette	STAQ, INC.
Jelle Claeys Automotive Artwork	Submarine Leisure Club, Inc. (Wirecutter)
Joshua M Lees	Submersive Media

The Hartford
The Oliver Group
Viddler, Inc.

SCHEDULE 1(I)

Significant Vendors

114 Fifth Avenue	Kforce Inc.
ADP PayEx	Kornhaber Brown, LLC
Advanced Electronic Solutions, Inc.	Lay It Out, Inc.
AMA Consulting Engineers P.C.	Leiberts Royal Green Appliances Inc.
AMEX Corporate GM - 01006	Lewis Rice LLC
Andrew Liszewski	LionTree Advisors LLC
Apple Inc. (media)	LJ DUFFY, Inc.
Baby Llama Productions LLC	Maples & Calder (GM LLC)
Bajibot Media	NetRatings, LLC
Big Mango, Inc.	Netsuite, Inc.
Bird & Bird LLP	NVE, Inc.
Brannock & Humphries	OCP Collective Corp.
Cahill Gordon & Reindel LLP	Olson Kundig Architects
Cannes Trip 2015	Olson Kundig Interiors
Catalyst	OnMarc Media Inc.
Cerberus Capital Management LP	Opportune LLP
ComScore Inc.	Redscout LLC
Con Edison (210)	Robert Half
CytexOne Technology, LLC	Ropes & Gray LLP
Dynect, Inc	Santa Monica Air Center, Inc.
Emma C Lanigan (Cookson)	Structure Tone
Fidelity 401k	SW Management LLC
Harder Mirell & Abrams	TangentVector, Inc.
Hatch Content, LLC	Tapestry Associates LLC
HeartWork, Inc.	Thomas & Locicero PL
Houlihan Lokey	Treasury of the United States
Howard Kennedy	TrueForm Concrete, LLC
Inform Interiors	Veritas Pictures, Inc.
Jesus Diaz (vendor)	Versus LLC

Vizu Corporation

Voya Financial 401K

WB Wood NY

Young America Capital

SCHEDULE 1(m)

Taxing Authorities

Internal Revenue Service

Budapesti Önkormányzat

Hungary National Tax Authority

New York City Department of Finance

New York State Commissioner of Taxation and Finance

SCHEDULE 1(n)

U.S. Trustee and Key Court Personnel for the Southern District of New York

Cecilia G. Morris

James L. Garrity

Martin Glenn

Mary Kay Vyskocil

Michael E. Wiles

Robert D. Drain

Robert E. Grossman

Sean H. Lane

Shelley C. Chapman

Stuart M. Bernstein

Alicia Leonhard

Amanda Cassara

Andrea B. Schwartz

Andy Velez-Rivera

Anna M. Martinez

Brian S. Masumoto

Cheuk M. Ng

Danny A. Choy

Ercilia A. Mendoza

Greg M. Zipes

Guy A. Van Baalen

Ilusion Rodriguez

Kathleen Schmitt

Linda A. Riffkin

Lisa Penpraze

Maria Catapano

Mary V. Moroney

Myrna R. Fields

Nadkarni Joseph

Paul K. Schwartzberg

Richard C. Morrissey

Serene Nakano

Susan Arbeit

Susan Golden

Sylvester Sharp

Victor Abriano

William K. Harrington

SCHEDULE 1(o)

Utilities

114 Fifth Avenue Ground Lessee

Atlantic Metro Communications

Benefit Resource, Inc.

Cogent Communications

Con Edison

ShoreTel Inc.

SCHEDULE 1(p)

Employees and Independent Contractors

Asd Mario Aguilar
Joshua Albertson
Angelica Alzona
Fritzie Andrade
Erika Audie
Jared Auslander
Ilene Baker
Michael Ballaban
Patrick Ballester
Chad Bernstein
Lauren Bertolini
Sam Biddle
Ilona Bilevych
Christina Blacken
Gabrielle Bluestone
James Boos
Joshua Bottino
Robert Bricken
Ryan Brown
Kara Brown
Bridget Brown
Timothy Burke
Albert Burneko
Camila Cabrer
Alexandra Cannon
Emma Carmichael
Anthony Carnevale
Casey Chan
Michelle Chiang

Devin Clark
Gloria Clark
Steve Climaco
Ariana Cohen
Andrew Collins
Zachary Connett
John Cook
James Cooke
Alexandra Cranz
Hillary Crosley
Justin Cross
Andrew Cush
Zach Custer
Madeleine Davies
Maritza De Leon
Veronica de Souza
Sarah Dedewo
Ernest Deeb
Nick Denton
Alexander Dickinson
Heather Dietrick
Alexandre Dohrmann
Lacey Donohue
Kevin Draper
Kathryn Dries
Katherine Drummond
Eyal Ebel
Cheryl Eddy
Stassa Edwards

Adam Estes
Michael Fahey
Georgia Faircloth
Ashley Feinberg
Ian Fette
Robert Finger
Ashton Galloway-Taylor
Marina Galperina
John Gelini
Patrick George
Kanwar Gill
Ariel Gononsky
George Grayson
Melissa Green
Samuel Griffel
Heidi Grothaus
Ava Gyurina
Anthony Hack
William Haisley
Lucy Haller
Kirk Hamilton
Matt Hardigree
Andrew Harding
Alan Henry
Patricia Hernandez-Ramos
Emily Herzig
Clover Hope
Mollie Horan
Heather Hynes
Attila Illes
Jacob Inferrera
Victor Jeffreys
Richard Juzwiak

Samer Kalaf
Omar Kardoudi Segarra
Hannah Keyser
Sophie Kleeman
Patrick Klepek
Thorin Klosowski
Michele Lafauci
Patrick Laffoon
Samantha Lagani
Miranda Langrehr
Joshua Laurito
Catherine LeClair
Thomas Ley
Mia Libby
Michael Lindsay
Katelyn Lovejoy
Germain Lussier
Riley MacLeod
Andrew Magary
Amanda Mandelstein
Timothy Marchman
Alex Mason
Shepherd McAllister
Kathryn McGinnis
David McKenna
Colleen McMillan
Bryan Menegus
Anna Merlan
Maria Misra
Kelly Monson
Daniel Morgan
Diana Moskowitz
Julian Muller

Nick Murphy	Michael Roselli
Melissa Murray	Joanna Rothkopf
Evan Narcisse	William Sansom
Giri Nathan	Jordan Sargent
Tamas Neltz	Samuel Scherer
Chris Neveu	Stephanie Schrader
Hamilton Nolan	Jason Schreier
Matthew Novak	Jillian Schulz
Michael Nunez	Taryn Schweitzer
Brendan O'Connor	Thomas Scocca
Courtenay O'Connor	Eleanor Shechet
Michael Orell	Julianne Shepherd
Darren Orf	Hunter Slaton
Andrew Orin	Elisa Solinas
Raphael Orlove	Ethan Sommer
Jennifer Ouellette	Casey Speer
Alexander Pareene	Zoe Stahl
Andrea Park	Nicholas Stango
Adam Pash	Judith Steinbach
Puja Patel	Madeleine Stone
Christopher Person	Kelly Stout
Barry Petchesky	Richard Sundue
Alexandra Philippides	Margaret Taormina
Diego Pineda	Jia Tolentino
Steven Polletta	Jason Torchinsky
John Price	Stephen Totilo
Nandita Raghuram	David Tracy
Eric Ravenscraft	Katharine Trendacosta
Kavitha Reddy	Joseph Trotter
Patrick Redford	William Turton
Benjamin Regenspan	Kerrie Uthoff
Shane Roberts	Christopher Vespoli
Grace Robertson	Alissa Walker

Angela Wang
Jamie Weber
Anastasia Weeks
Allison Wentz
Samuel Woolley
András Szatmári
Attila Kocsis
Balázs Kéki
Balázs Pöcze
Dmitry Lambrianov
Gábor Kacsik
Gáspár Körtesi
György Bokros
Ildikó Kriston
István Bodnár
János Hardi
László Heves
Levente Molnár
Linda Bucsánszki
Luca Németh
Márton Borlay
Mikhail Mitrofanov
Olivér Kovács
Péter Szász
Ramóna Udvardi
Szabolcs Vida
Szilvia Németh
Zoltán Balázs
Zoltán Kalmár
George Dvorsky
Luke Plunkett
Brian Ashcraft
Andrew Liszewski

Jamie Condliffe
Chris Mills
James Whitbrook
David Nield
Kathryn Jezer-Morton
Madeleine Collier
Fruzsina Kuhari
Robert Stokes
Adam Kovac
Jared "Jay Allen" Goodwin
Anthony Dejolde
Carlos Rebato
Carlos Hierro
Matias Martinez
Eduardo Marin
Miguel Redondo
Zolani Stewart
Reshma Bhai
Manisha Aggarwal
Lindsay Handmer
Daniel Strudwick
Eva Jurczyk
Mihir Patkar
Toshihisa Nakamura
Kirsten O'Regan
Alexandra Nursall
Nicholas Cameron
Ralph Jones
Elizabeth Edgar
Rawiya Elkhadir
Ian Dransfield
Stefan Janke
Mark Wilson

Sniff Petrol Limited

James Fell

Peter Ryan

Manuel Mendez Perez

Angel Jiminez

Jacob Rose

Bram Gieben

Eva Holland

Nathan Thompson

Priya Elias

Scaachi Koul

Helen Appleyard

Omar Karduodi Segarra

Cara Ellison

Estelle Tang

Anupa Mistry

Brodie Lancaster

Jess Shanahan

Jesus Diaz

Herbert Lui (Wonder Shuttle Media, Inc)

Graham Ruthven

Stacy May Fowles

Andrew Gibney

Daniel Harris

Alex Hess

Chris Koentges

Kevin O'Brien

Achal Prabhala

David Sommer

Monica Heisey

Sara Mcculloch

Jakob Wenngren

Alex Bejerstrand

Halmar Sveinbjornsson

Amit Reut

Rosa Gregori

Sarah Moroz

Jason Richards

Ravi Somaiya

Reut Amit

Michael "Massoud" Martin

Fariha Roisin

William Herkewitz

Lev Hellebust (Bratishenko)

Pranav Dixit

Danny Allen

Karan Atul Shah

James Baker

Gary Cutlack

Adelaide Dugdale

Katherine Hannaford

Brian Hogg

Andrew James

Chris Mcveigh

Apoorva Prasad

Michelle Tofi

Yareniz Saavedra Padilla

Carlos Risco

Elias Notario Perez

Eric Tecayehuatl

Robert Boffard

Guy Combs

Joel Meadows

Chris Harris

Guy Porepp

Anthony Mark Dewhurst

Peter Orosz

Ryan Pierce

Neill Watson

George Williams

Chris Harris

Natasha Chenier

Esther Sassaman

Luke Malone

Mikhail Mitrofanov

Leo Wichtowski

Kevin Mahon

Simon Parkin

Quintin Smith

Kathleen Williams

Ollie Barder

Simon Mapp

Andrew Mcmillen

David Veselka

Kevin Mahon

David Gilson

Mark O'Neill

Spanner Spencer

Tom Cassell

Kenneth Gibson

Clare Kane

Zolani Stewart

Josephine Huetlin

Exhibit 2

The following lists names of entities or individuals searched from Schedule 1 where the entity, and/or a parent or affiliate of the entity, is a current or former client of LSKS, on matters as described herein.

<u>Searched Entity</u>	<u>Relationship</u>
The Associated Press	Current client in matters wholly unrelated to Debtors or to these chapter 11 cases
Casper Sleep Inc.	Current client in matters wholly unrelated to Debtors or to these chapter 11 cases
[Confidential Client]	Current client in matters wholly unrelated to Debtors or to these chapter 11 cases

Exhibit 3

The following lists the names of entities or individuals searched from Schedule 1, where the entity, and/or a parent or affiliate of the entity, is a current or former client of LSKS, on matters as described herein.

<u>Searched Entity</u>	<u>Relationship</u>
Sam Biddle	Current client; co-defendant in matters involving Debtor described above
Irin Carmon	Current client; co-defendant in matters involving Debtor described above
John Cook	Current client; co-defendant in matters involving Debtor described above
Gaby Darbyshire	Current client; co-defendant in matters involving Debtor described above
Albert Daulerio	Current client; co-defendant in matters involving Debtor described above
Nick Denton	Current client; co-defendant in matters involving Debtor described above
Heather Dietrick	Current client; petitioner in an interlocutory appellate matter in <i>Bollea I</i>
Greg Howard	Current client; co-defendant in matters involving Debtor described above
J.K. Trotter	Current client; co-defendant in matters involving Debtor described above

Exhibit C

Holden Declaration

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

-----X
:
In re : Chapter 11
:
Gawker Media LLC, *et al.*,¹ : Case No. 16-11700 (SMB)
:
Debtors. : (Jointly Administered)
:
-----X

**DECLARATION OF WILLIAM D. HOLDEN IN SUPPORT OF DEBTORS'
APPLICATION PURSUANT TO SECTIONS 327(e), 328(a) AND 330 OF THE
BANKRUPTCY CODE, BANKRUPTCY RULES 2014 and 2016, AND LOCAL RULES
2014-1 AND 2016-1 FOR ENTRY OF AN ORDER AUTHORIZING THE RETENTION
AND EMPLOYMENT OF LEVINE SULLIVAN KOCH & SCHULZ, LLP AS SPECIAL
LITIGATION COUNSEL EFFECTIVE *NUNC PRO TUNC* TO THE PETITION DATE**

I, William D. Holden, being duly sworn, hereby declare as follows:

1. I am the Chief Restructuring Officer of Gawker Media LLC ("Gawker Media"), located at 114 Fifth Avenue, 2d Floor, New York, New York 10014.
2. I submit this declaration (this "Declaration") in support of the Debtors' Application Pursuant to Sections 327(e), 328(a) and 330 of the Bankruptcy Code, Bankruptcy Rules 2014 and 2016, and Local Rules 2014-1 and 2016-1 For Entry of an Order Authorizing the Retention and Employment of Levine Sullivan Koch & Schulz, LLP as Special Litigation Counsel Effective *Nunc Pro Tunc* to the Petition Date (the "Application").² The facts set forth herein are based on my personal knowledge or information provided to me by the Debtors'

¹ The last four digits of the taxpayer identification number of the debtors are: Gawker Media LLC (0492); Gawker Media Group, Inc. (3231); and Kinja Kft. (5056). The offices of Gawker Media LLC and Gawker Media Group, Inc. are located at 114 Fifth Avenue, 2d Floor, New York, NY 10011. Kinja Kft.'s offices are located at Andrassy ut 66. 1062 Budapest, Hungary.

² Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Application.

management, employees or members of my staff working under my supervision, other professionals, and my review of the books and records and relevant documents.

The Debtors' Selection of Levine Sullivan Koch & Schulz, LLP

3. Levine Sullivan Koch &Schulz, LLP ("LSKS") is proposed to serve as special litigation counsel to the Debtors, responsible for the matters described in Paragraph 11 of the Application. The Debtors recognize that a careful selection should be made when selecting and managing any counsel acting for debtors in a chapter 11 case, to ensure that the professionals are subject to the same client-driven market forces, scrutiny, and accountability as professionals in non-bankruptcy engagements.

4. Here, LSKS has been engaged by the Debtors since 2012, for what were non-bankruptcy matters, and LSKS was subjected to the client-driven market forces and scrutiny when it was originally retained. The contemplated engagement continues LSKS's engagement on the same terms, including a roughly twenty percent discount from LSKS's standard hourly rates, subject only to the periodic rate increase anticipated in February 2017.

5. In addition, under the contemplated engagement, LSKS will charge only those actual and necessary expenses, for which it bills its clients, incurred in connection with the rendering of legal services described in the Application, by category and nature of services rendered. In that regard, it is my understanding that LSKS does not charge clients, including the Debtors and the Debtors' employees on the matters enumerated in the Application, for certain expenses (which are incorporated into LSKS's hourly rates), including internal photocopying, postage, long distance telephone expenses, ordinary delivery charges or computerized legal research.

6. It is my understanding that when LSKS was originally retained in 2012, and when it was retained for additional matters since then, Gawker Media considered alternative law firms as part of its selection process. Gawker Media's decision to retain LSKS required consideration of cost, but more importantly, its expertise in the particular subject matter of the litigation it was defending. LSKS was retained in a non-bankruptcy environment, and was subjected to the competition in the non-bankruptcy marketplace when it was retained.

Rate Structure

7. In my capacity as Chief Restructuring Officer, I am responsible, along with Heather Dietrick (General Counsel), for monitoring outside counsel retained by the Debtors in the ordinary course of business. As indicated above, LSKS has informed the Debtors that the rates charged to the Debtors by LSKS reflect a roughly twenty percent discount off of the firm's standard hourly rates (given the volume of work the Debtors asked LSKS to perform) and that its rates for the Services are comparable to or less than the rates LSKS charges for similar matters in a non-bankruptcy environment. As discussed below, I, or members of my team, or employees working under my supervision, are responsible for reviewing the invoices regularly submitted by LSKS.


Cost Supervision

8. The Debtors and LSKS are working on a prospective budget for the period from the Petition Date to 120 days after the Petition Date, recognizing that in the course of a large chapter 11 case, it is possible that there may be a number of unforeseen fees and expenses that will need to be addressed by the Debtors and LSKS. The Debtors further recognize that it is their responsibility to monitor closely the billing practices of their counsel to ensure the fees and expenses paid by the estate remain consistent with the Debtors expectations and the exigencies of

these chapter 11 cases. The Debtors will continue to review the invoices that LSKS regularly submits, and together with LSKS, amend the budget periodically, as the Actions, the Adversary Proceeding, and the need for non-litigation counseling services develop.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

Dated: July 25, 2016



William D. Holden